

AUG 11 1975 - 3 50 PM

AMENDMENT TO LEASE

INTERSTATE COMMERCE COMMISSION

WHEREAS, Borg-Warner Leasing, Division of B-W Credit Corporation is leasing 82 enclosed (without end doors) 89'4" fixed LO-TRI-PAK auto racks model number AB-15153 including 60 A-234-786 ratchet LT-TY with C-231-465 chain assembly and 60 A-234-760 Idler LO-TY to Chicago and North Western Transportation Company pursuant to a certain Equipment Lease dated as of April 15, 1975 ("Lease"); and

WHEREAS, Borg-Warner Leasing Division of B-W Credit Corporation and Chicago and North Western Transportation Company wish to amend said Equipment Lease;

NOW, THEREFORE, Borg-Warner Leasing Division of B-W Credit Corporation and Chicago and North Western Transportation Company hereby amend said Equipment Lease as follows:

1. A new section 22.14 is added reading as follows: 22.14 Revision of Casualty Values. In the event that the rental payable hereunder is revised due to disallowance of the tax benefits described in Section 20, changes in the tax law as described in Exhibit A, or for any other cause which is stated in said Lease, then the applicable casualty value set forth in Exhibit C shall also be adjusted by such amount as will cause the Lessor's after tax rate of return on a discounted cash flow basis to equal that which would have been realized had such disallowance, change, or cause not occurred, so that the Lessor shall have the same after tax rate of return as would have been realized by the Lessor if such disallowance, change or cause had not occurred.
2. Section 22.7 is amended by the addition of the following sentence: The Lessee agrees to furnish the Lessor with appropriate Lessor's and/or Mortgagee's Waivers concerning the flatcars on which the Equipment is first installed at the time that the Equipment is installed thereon.
3. A new section 22.15 is added as follows: 22.15 The Lessee and the Lessor agree to complete Exhibit A-1 as soon as the information missing therefrom becomes available. The Lessee and the Lessor agree that Exhibit C shall be in the form attached hereto as Exhibit C and that Exhibit D shall be substantially in the form of that certain letter dated December 4, 1974 from N. V. Reichert to Thomas F. Patton, a copy of which is attached hereto and is made a part hereof.

Dated this 14th day of June, 1975.

(Seal)

Attest:

(Seal)

Attest:

ASST. SECRETARY

Borg-Warner Leasing Division  
of B-W Credit Corporation

By

Its Vice President

Chicago and North Western Transportation Company

By

Its Vice President-Finance

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

On this 20 day of June, 1975 before me personally appeared O. B. DAVIES, to me personally known, who being by me duly sworn, says that he is the Vice President of Borg-Warner Leasing Division of B-W Credit Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Christine Ann Milston  
Notary Public

(SEAL)

My Commission Expires:

Commission Expiration Date December 23, 1978

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

On this 19th day of June, 1975 before me personally appeared J. M. BUTLER, to me personally known, who being by me duly sworn, says that he is a Vice President of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Marjorie Kayes  
Notary Public

(SEAL)

My Commission Expires: December 7, 1977

Exhibit C to Equipment Lease Agreement dated as of April 15, 1975 between Borg-Warner Leasing Division of B-W Credit Corporation as Lessor and Chicago and North Western Transportation Company as Lessee.

SCHEDULE OF CASUALTY VALUE

<u>QUARTERLY RENTAL PAYMENT NUMBER</u>	<u>PERCENTAGE OF PURCHASE PRICE</u>
Before first quarterly rental payment date	106.6189%
1	106.5556
2	106.4350
3	106.1949
4	105.5859
5	104.6941
6	103.6387
7	102.5051
8	101.5543
9	100.5536
10	99.4834
11	98.3414
12	90.7846
13	89.6075
14	88.3447
15	86.9946
16	85.5887
17	84.1352
18	82.6033
19	80.9915
20	72.9104
21	71.1953
22	69.4069
23	67.5437
24	65.6180
25	63.6498
26	61.6116
27	59.5019
28	50.9158
29	48.6980
30	46.4119
31	44.0561
32	41.6221
33	39.1354
34	36.5773
35	33.9465
36	31.2279
37	28.4470
38	25.5891
39	22.6526
40 and thereafter	20.0000

December 4, 1974

Thomas F. Patton  
Ralph S. Tyler,  
Trustees of the Property of  
Erie Lackawanna Railway Company, Debtor  
(the "Lessee")  
Midland Building  
101 Prospect Avenue, N.W.  
Cleveland, Ohio 44115  
Attention of Richard Jackson

Manufacturers National Bank of Detroit  
(the "Lessor")  
151 West Fort Street  
Detroit, Michigan 48226  
Attention of Donald E. Black

American Road Equity Corporation ("AMREC")  
The American Road  
Dearborn, Michigan 48121  
Attention of William K. Davenport

Portec, Inc. ("Portec")  
300 Windsor Drive  
Oak Brook, Illinois 60521  
Attention of James C. Horton

Dear Sirs:

Trailer Train Company, a Delaware corporation (Trailer Train) is the owner and lessor of certain flatcars identified on Schedule "A" attached hereto (said flatcars, together with such additional flatcars as to which we shall advise you after the date hereof, and totaling 294 flatcars being hereinafter called "Flatcars").

Trailer Train understands that the Lessor, as Trustee under a Trust Agreement dated as of October 1, 1974 under which AMREC and Portec are the beneficiaries, proposes to lease to the Lessee, pursuant to a lease dated as of October 1, 1974 (the "Equipment Lease"), 294 new auto racks (the "Racks") manufactured by Portec. Trailer Train further understands that the Racks are to be welded or otherwise affixed to the Flatcars, one rack for each Flatcar.

Trailer Train hereby agrees with the Lessor, AMREC, Portec and the Lessee as follows:

1. The Racks shall not at any time be deemed to constitute an accession to the Flatcars.

2. The Lessor, directly or through its agents, shall have the right to remove the Racks from the Flatcars following the occurrence of a default under the Equipment Lease and the continuance of such default during a period of 30 days, notwithstanding the fact that such default shall thereafter be cured; provided, however, that the Lessor shall give written notice of its intention to remove the Racks to Trailer Train at its principal office at 300 S. Wacker Drive, Chicago, Illinois 60606, Attention of Vice President-Transportation & Maintenance. Such removal shall be without cost and expense to Trailer Train and shall be effected in such manner as to minimize any damage to the Flatcars and shall not materially impair the Flatcars or the value thereof and shall be made in accordance with the Form A Car Contract heretofore entered into between Trailer Train and the Lessee.

3. Nothing in this Agreement shall affect the rights and liabilities of Trailer Train and the Lessee under the Form A Car Contract heretofore entered into which shall be controlling as to the parties thereto in all matters to which it relates.

Very truly yours,

N. V. Reichert  
Vice President-  
Finance and Treasurer

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Attech.

## TRAILER TRAIN COMPANY FLATCARS

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